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RETAIL PRICES - SEPTEMBER QUARTER, 1960

1. CONSUMER PRICE INDEX

For current statistical purposes the Consumer Price Index replaces both the "C" Series Retail Price Index first compiled in 1921 and the Interim Retail Price Index constructed as a transitional index in 1954. The Consumer Price Index was first published in August, 1960, and has been compiled only for the six State capital cities. Consequently the section of this bulletin relating to the Consumer Price Index largely deals with variations in retail prices in Brisbane.

The Consumer Price Index measures quarterly for each capital city separately the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licenses, newspapers, postal and telephone services, hairdressing, dry cleaning and various other items. The index has been constructed with the year 1952-53 as base for each capital city individually and does not provide a comparison of the retail price level in any city with the retail price level in any other city. It has been calculated back to June quarter, 1949.

The various commodities and services have been combined into groups and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

During the September quarter of 1960 the Brisbane Consumer Price Index increased to 123.6 from 122.3 in the previous quarter, a rise of 1.1 per cent. This was the highest quarterly rise recorded for two and a half years, an increase of 1.1 per cent. being registered for March quarter, 1958. Compared with September quarter, 1959, there was a rise for the year of 2.8 per cent. The increase on the base year 1952-53 was 23.6 per cent.

The Food Group Index rose from 125.3 to 126.9 during the September quarter, 1960, an increase of 1.3 per cent. The increase was substantially due to rises in the price of meat. Other items which contributed to the rise were potatoes, butter, and bacon, while decreases were recorded for eggs, onions, and tea.

In the Clothing and Drapery Group there was a slight upward movement in the indexes from 113.9 to 114.1, an increase of 0.2 per cent. This increase was due almost entirely to rises in the price of footwear items.

Increases in house prices, repairs and maintenance, and rents of privately owned houses all contributed towards the higher index for the Housing Group, which rose from 134.0 to 136.1, an increase of 1.6 per cent.

A slight downward movement in the price of some items was responsible for a fall in the Household Supplies and Equipment Group Index from 110.9 to 110.6, a decrease of 0.3 per cent.

Increased tram and bus fares and higher beer prices were mainly responsible for a 1.7 per cent. rise in the Miscellaneous Group Index, which increased from 126.2 to 128.3.

The group indexes, and the percentage change in each from the previous quarter, are shown in the following table.

Consumer Price Index - Total and Group Indexes - Brisbane
(Year 1952-53 = 100)

Quarter	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
September, 1959 ..	123.4	110.2	131.5	110.1	124.7	120.2
December, 1959 ..	123.4	111.4	132.2	110.5	125.6	120.8
March, 1960 ..	124.6	112.2	132.7	111.0	125.9	121.6
June, 1960 ..	125.3	113.9	134.0	110.9	126.2	122.3
September, 1960 ..	126.9	114.1	136.1	110.6	128.3	123.6
Increase or Decrease (-) on Previous Quarter - Per Cent						
September, 1959 ..	1.6	0.6	1.9	0.5	0.1	0.9
December, 1959 ..	-	1.1	0.5	0.4	0.7	0.5
March, 1960 ..	1.0	0.7	0.4	0.5	0.2	0.7
June, 1960 ..	0.6	1.5	1.0	-0.1	0.2	0.6
September, 1960 ..	1.3	0.2	1.6	-0.3	1.7	1.1

During the September quarter, 1960, the Consumer Price Index showed a rise in prices in all capital cities, with the greatest proportionate increase in Hobart. Percentage increases were as follows:- Hobart, 2.6; Melbourne, 1.5; Brisbane, 1.1; Sydney, 1.0; Adelaide, 0.7; and Perth, 0.7. In each city the rise was predominantly in the Food and Grocery Group with increases in the price of meat as the principal factor in all cities except Perth. The price of butter increased in all capitals, prices of potatoes and bacon in four capitals and the price of bread in two capitals. Prices of eggs, tea, and onions decreased in all capitals.

2. THE "C" SERIES RETAIL PRICE INDEX

Although the "C" Series Index has been superseded by the Consumer Price Index for current statistical purposes, it will continue to be available for the present to industrial tribunals and other bodies and persons who desire it.

The "C" Series Index for Brisbane rose by 1.3 per cent. during the September quarter, 1960, compared with a rise of 1.1 per cent. for the weighted average for the five towns. Outside of Brisbane, Bundaberg showed the largest increase, 1.0 per cent., and Townsville the smallest increase, 0.5 per cent.

Food and grocery prices rose in the five cities during the quarter. Meat and potato prices were substantially higher in all five cities, although in Townsville a fall in the price of mutton tended to partly offset higher beef prices. Butter and bacon prices rose in each city, but decreases were recorded for eggs, onions, and tea.

A general slight upward movement was evident in the price of clothing and footwear, and in rent, while increases in Brisbane tram and bus fares were reflected in the higher index number for the miscellaneous group.

"C" Series Indexes for Brisbane and other Queensland cities for recent quarters up to September, 1960, are shown in the table on page 4.

The following table shows the percentage increase in the "C" Series Indexes from various periods to September quarter, 1960.

"C" Series Retail Price Index - Percentage Increases, September Quarter, 1960.

City	Increase from Year Ended June, 1953	Increase from Year Ended Sept., 1959	Increase from Quarter Ended Sept., 1959	Increase from Quarter Ended June, 1960
Brisbane ..	27.6	4.9	3.3	1.3
Toowoomba ..	23.1	4.4	3.0	0.8
Rockhampton ..	26.0	4.9	3.0	0.8
Townsville ..	27.6	4.5	2.7	0.5
Bundaberg ..	26.5	4.5	3.0	1.0
Five Towns (Weighted Average) ..	27.1	4.8	3.2	1.1

From the year 1952-53 the "C" Series Index has shown a rise of 27.6 per cent., while over the same period the Consumer Price Index has shown a rise of 23.6 per cent. The indexes have moved differently as a result of the significantly different lists of items and weighting patterns, together with the disparate price changes that have occurred over the period.

3. COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time - in some cases at fairly regular intervals and in others as a result of special applications for variation of the wage rate. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of 15s. to the male basic wage with corresponding adjustments to the female and juvenile rates and operated from 11th June, 1959. In a judgment delivered on 12th April, 1960, the Commission rejected an application for a further increase in the Commonwealth basic wage. The Queensland Industrial Court, after its usual quarterly review of the State basic wage, increased both the male and female rates by 3s. from 31st October, 1960.

Current Commonwealth and State basic wage rates are shown in the following table.

Basic Wage Rates - Australian Capital Cities

Capital City	Commonwealth Basic Wage			State Basic Wage		
	Males	Females	Date of Operation	Males	Females	Date of Operation
Brisbane ..	£ 12 18 0	9 13 6	11.6.59a	£ 13 16 0	9.11 0	31.10.60
Sydney ..	14 3 0	10 12 0	11.6.59a	14 14 0	11 0 6	1.11.60a
Melbourne ..	13 15 0	10 6 0	11.6.59a	13 15 0	10 6 0	22. 6.59
Adelaide ..	13 11 0	10 3 0	11.6.59a	13 11 0	10 3 0	15. 6.59a
Perth ..	13 16 0	10 7 0	11.6.59a	14 14 7	11 0 11	24.10.60
Hobart ..	14 2 0	10 11 6	11.6.59a	14 2 0	10 11 6	1. 7.59a

a These rates operate from the first pay period commencing on or after the date shown.

S. E. SOLOMON
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10th November, 1960

THE "C" SERIES RETAIL PRICE INDEX

(Base for Each Section: Weighted Average of Six Capital Cities, 1923-27 = 1000)

City	Year Ended Sept., 1959	Year Ended Sept., 1960	Quarter Ended -					
			Sept., 1959	Dec., 1959	March, 1960	June, 1960	Sept., 1960	
1. Aggregate - All Groups								
Brisbane	2556	2643	2595	2615	2630	2646	2680
Toowoomba	2504	2583	2537	2555	2571	2591	2613
Rockhampton	2559	2653	2608	2623	2640	2664	2685
Townsville	2690	2799	2737	2781	2805	2798	2812
Bundaberg	2535	2619	2571	2596	2609	2623	2649
Weighted Average Five Towns	2561	2649	2600	2622	2638	2653	2683
2. Food and Groceries								
Brisbane	2936	3052	3006	3016	3037	3043	3110
Toowoomba	2888	2975	2925	2931	2961	2985	3021
Rockhampton	2942	3080	3042	3038	3071	3088	3122
Townsville	3139	3273	3213	3256	3313	3256	3268
Bundaberg	2998	3120	3077	3099	3125	3108	3147
Weighted Average Five Towns	2949	3065	3019	3030	3055	3058	3116
3. Clothing and Footwear								
Brisbane	3352	3482	3382	3447	3464	3505	3511
Toowoomba	3371	3498	3396	3459	3483	3523	3528
Rockhampton	3361	3486	3385	3455	3466	3509	3514
Townsville	3356	3495	3384	3461	3475	3516	3526
Bundaberg	3389	3515	3411	3482	3496	3541	3542
Weighted Average Five Towns	3355	3485	3384	3450	3467	3508	3514